

**Subject** Local sales tax general law modified

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## Overview

H.F. 3381 would modify a number of provisions under the general local sales tax law relating to the submission of resolutions, for both modifications of an existing tax, for all requests for legislative approval in the year the approval is sought, and for changes to projects and the tax after the initial legislative submission is made.

In addition, the bill would allow a local sales tax referendum to be held on the first Tuesday in November, rather than at a general election.

## Summary

Section	Description
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<b>1</b>	<b>Authorization; scope.</b>
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Clarifies provisions of existing law prohibiting a political subdivision from spending funds to support a referendum to impose a local sales tax but allowing funds to be used for general administrative and notification purposes.

Effective date: day following enactment.

<b>2</b>	<b>Local resolution before application for authority.</b>
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Requires that a political subdivision pass a resolution prior to seeking legislative approval to modify an existing tax and that a new resolution be adopted for both new and modified local sales taxes each year the subdivision seeks legislative approval for those taxes.

Requires a political subdivision to submit an amended resolution if, after submitting the required documentation on regional significance, the subdivision seeks to add a project, increase the amount allocated to a project, increase total revenue raised, or increase the duration of the tax.

Also makes technical and conforming changes.

Section	Description
	Effective date: day following enactment.
3	<p data-bbox="316 336 1430 409"><b>Legislative authority required before voter approval; requirements for adoption, use, termination.</b></p> <p data-bbox="316 420 1430 493">Requires legislative approval to modify a local sales tax and makes conforming changes.</p> <p data-bbox="316 525 1430 640">Requires the referendum to be held on the first Tuesday after the first Monday in November within a two-year period from the time the legislature authorizes the tax. Current law requires the referendum to be held at a “general election.”</p> <p data-bbox="316 672 1430 714">Effective date: day following enactment.</p>



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